



Mobile CRM

A mobile systems platform drives significant value for United National Breweries

United National Breweries is a Diageo company and the largest producer of traditional opaque beer in South Africa, finding their market in the largely undefined space we refer to as the informal market. The operation is significant, selling 300 million liters of beer per annum, through 200 key distributors and roughly 17000 retail outlets. What makes UNB unique is that they deploy an army of 160 van salesmen, in parallel to the distributor infrastructure, selling product directly to retailers. The market is further served by 75 retail reps, operating out 20 defined territories, and served by 50 stocking depots. UNB runs a fleet of 350 vehicles moving product and people in a very challenging geography.

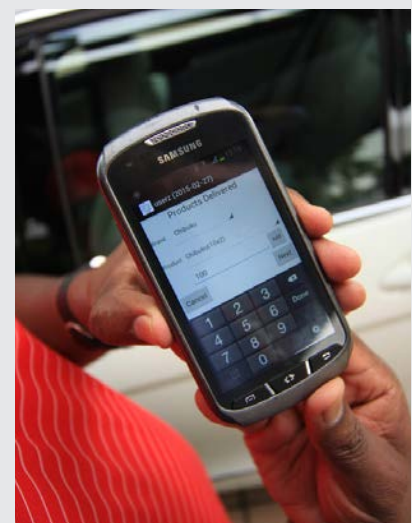
Operating in this segment of the market relies on “on the ground” market intelligence and the ability to respond to shifts in demand and consumer preferences as well as to manage a supply chain with a product that affords the system a shelf life of only 5 days. If the 5 days shelf life isn't enough of a challenge, an additional consumer preference is to have the beer available for consumption on the 3rd or 4th day, after production, providing a sales window at retail level of only 2 days. This is therefore a day to day business, relying on key decision-making data to get back to decision makers within the shortest time possible.



Mobile – Menu
Driven survey screen



A sales rep updating the Market
Information System immediately after
a customer visit



Mobile – Menu
Driven Transaction Screen

Carpedia Consulting worked with UNB on what was essentially a sales growth project, supported by a sales enablement component, looking at ways of simplifying and rationalizing the business infrastructure whilst at the same time growing sales. UNB's CEO, Rajan Ranganathan set the challenge:

- *“I was looking for a double whammy, improving sales and margins, while reducing unproductive inputs and removing barriers to sales. Sales needs to be the locomotive driving the company to improved levels of customer satisfaction and reduced operating costs per unit delivered.”*

Carpedia's project director, Werner Hess explains Carpedia's approach as follows:

- *“The UNB sales environment is challenging and typically has very little structure and definition to support the sales and sales management effort. The market structure is for all intents and purposes non-existent. We had to find a way of delivering a system that would provide transactional automation, market transparency, activity visibility and management reporting modules that would enable territory sales managers to manage sales and distribution”*

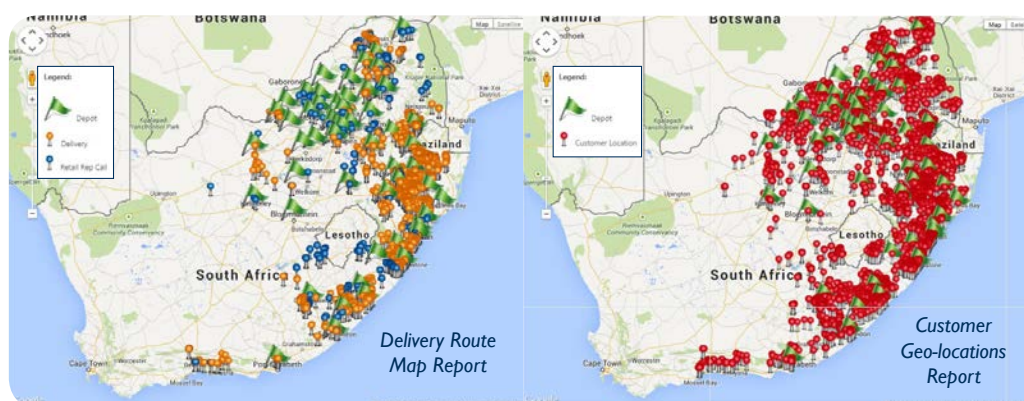
One area where the UNB management system infrastructure was found to be lacking was quite simply defined as:

- *“How do we manage and control 160 driver salesmen, 70 reps, 20 Territory sales managers and 200 distributors, ensuring that we capture every retail customer transaction, every customer interaction, all the possible field data like retail selling prices, stocking patterns, on the shelf availability, competitive activity and manage our own levels of productivity – on daily, weekly and monthly basis?”*

The challenge was further extended to:

- *“How do we optimize delivery patterns, route economics, stock drops, vehicle movements, fuel, maintenance and repair costs for a fleet of 350 vehicles?”*

The first challenge was a sales and servicing challenge, while the second challenge was a distribution and logistics related. The systems approach taken was to integrate the total operations environment by addressing the sales, servicing and distribution optimization needs. Carpedia worked with one South Africa's leading technology vendors; Epi-Use Systems who designed a cell phone based mobile solution based on the Android operating system that aimed to automate the total environment.



The process started off with a Visioning Session, where UNB's key sales, marketing and operations executives got together and “envisioned” what the final mobile technology solution should look like, from a functionality, systems, user and reporting point of view. The outcome of the Visioning Session provided Epi-use Systems with a broad brief in terms of what they needed to develop in terms of a system which would place the processing power in the hands of a population of 250 front line sales and servicing people, producing 9000 transactions per day.

This is how we did it

➤ STRUCTURE

The project started off with a clear definition of the operating structure. In order to superimpose an effective operations footprint into the operating environment, necessitated creating a retailer data base, which segmented retailers geographically, (where they are located) geo-spatially, (how many target market consumers were present in the geography – *), by type, size and the current method of servicing. Apart from providing the key structure for the mobility system, the exercise further provided invaluable insight into the customer base from a CRM point of view. The retailer segmentation provided insights that further determined the servicing frequency strategy, sales

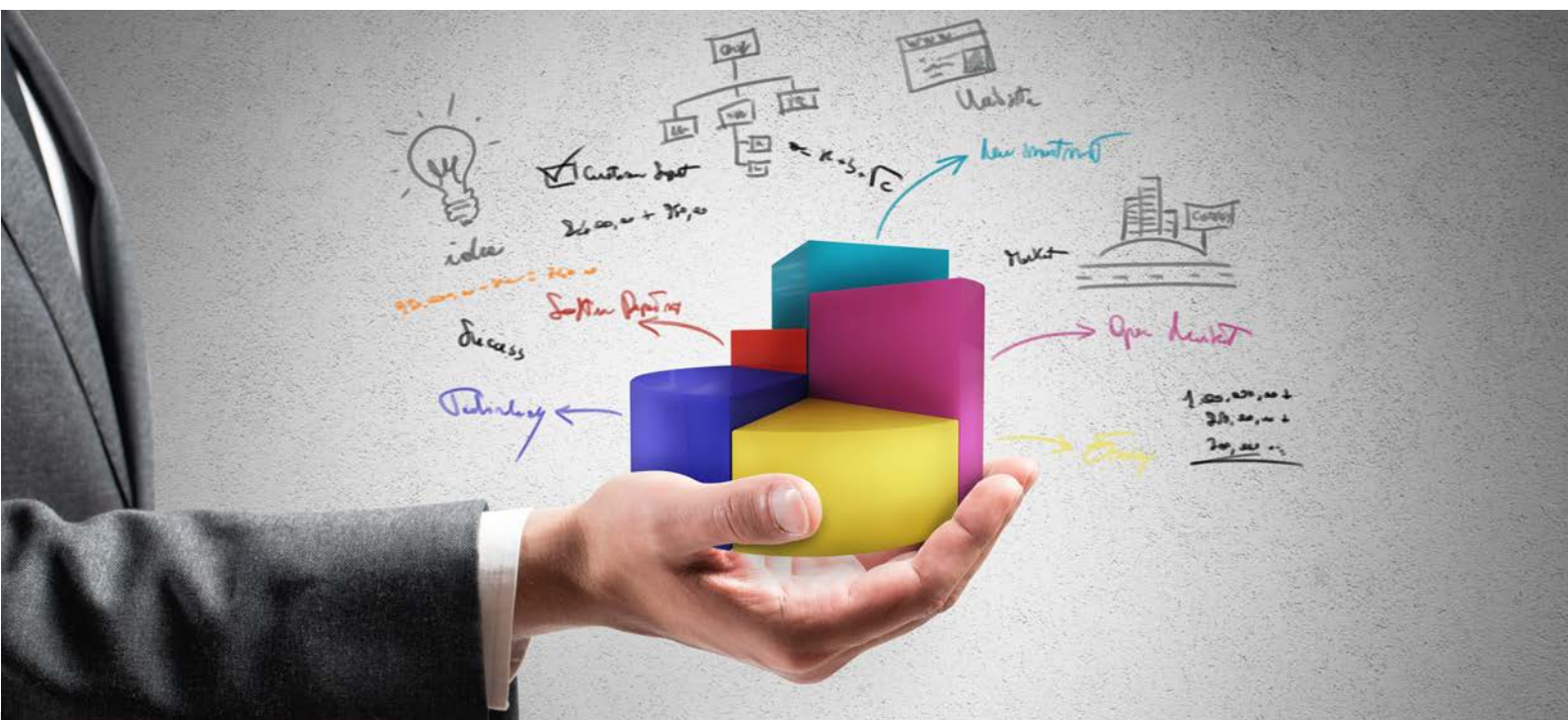
strategies (acquisition, retention and penetration) retail rep. deployment, and defined win – back strategies where UNB had neglected and even lost customers in the past. The systems architecture needed to reflect the UNB structure and how it operated in the market.

➤ PROCESS

FIELD SALES

The UNB sales and servicing infrastructure relied on well-defined processes to execute selling at various different levels in the organization, as well as having clear definition of how the selling processes varied in terms of whether the sales people were in acquisition, retention or penetration mode, or whether new products were being sold into the market. The systems followed these processes fairly exactly, having functionality on the cell phone for executing a sales call. Simple check lists on the device would confirm completion of the required sales process steps.

Another field of interaction was set up so that valuable market information like on the shelf availability, retail selling prices, in store stock levels, servicing and competitor activities could be captured and uploaded with virtually immediate availability of information to management



TELESALES

As a result of a customer segmentation exercise, all UNB's "C" customers would be serviced by regional telesales reps, who would operate using a very similar application platform as was designed for Field Sales. A communication link was established between telesales and Field Sales, so that Field Sales could concentrate on large "A" customers, and only visit "B's and "C's if prompted to do so by telesales.

By clear definition of the sales structure and sales process, along with a Roles, Responsibilities and KPI's re-write, the sales force was at optimal deployment and met with the CEO's requirements of improving productivity and optimizing the operational footprint of the sales force.

VAN SALES

UNB's Van Salesforce used a different process of execution as when compared to the Field Sales Force. Van Sales, were guys who filled a 4 ton truck with stock in the morning and delivered product to customers on a pre-

determined route basis. The concept therefore serviced existing customers with their order needs. Where sales came into play, was the objective of getting the van salesmen to sell more to existing customers, as well as to spot new sales outlet opportunities while doing the route. The management of the Van Sales Force was sub – optimal and relied on paper based systems to collect customer and sales data.



A pilot conducted in distribution with regard to improving “Route Optimization” used the system’s GPS’s capabilities to re-route distribution configurations

When UNB’s executives reviewed their van sales activities, they came to the painful conclusion that the van sales infrastructure and activities were not being managed effectively at all.

The Mobile application now provided them with the opportunity of tracking every sale in the field (+_9000 transactions per day). The application was designed with a fully functional invoicing module, now enabling UNB to manage sales right down to the sales made within the last hour of trading. Optimizing routes, drop sizes, cycle times and route profitability now became a very real possibility. As the Samsung Smart Phones were all supplied with a GPS chip as standard, truck movements, alongside drop sizes could be managed more effectively. This functionality was extended to enable basic route optimization, reducing km travelled and cycle times significantly.

REPORTING

UNB’s Sales GM’s and Territory Sales Managers now had the information at their fingertips to make the right sales and operations decisions by logging onto the reporting portal and then being able to view sales rep. activities, telesales activities and actual van sales by customer; by route. All the sales reports rolled up into views consolidating sales by channel, by area, by territory, by brewery and finally for the company as a whole.

Distribution benefited from a route optimization application which was linked to a van salesmen's mobile cell phone application, recording GPS co-ordinates at every stop. A "first pass" Route Optimization" analysis identified the potential to reduce distance travelled by 1,500,000 km's per annum. A major cost reduction opportunity. The Mobility System further cut 33,000 hours from time taken to complete a delivery. The implementation of the Route Optimization application promises to deliver significant and sustainable operational savings.

The mobility system was introduced to a user population of 260 sales employees. Rather than opt for territory by territory implementation, UNB decided to go-live to the total sales force, all at once. This bold move proved successful with Carpedia supporting the behavioural change required through workshops, in-the-field user support and an operating model change, which required territory sales manager involvement to drive usage “through the structure.” Werner Hess, Carpalia’s Project Director commented:

➤ “We knew that despite a lot of resistance, our change management formula, which revolves around changing the way people work and the way we manage the daily activities, would bring about the required behavioural change required to achieve 100% adoption. The amazing fact was that employees who had been with the company in sales roles for 25 years and longer were amongst some of the early adopters”

Six months after the initial roll-out, the mobility system is now fully integrated into the working lives of 260 people at UNB. Territory Sales Managers use the system daily to review the previous day's sales and sales activities. Marketing now has detailed retailer and consumer insights to analyze and the distribution model is now in continuous improvement mode. What seems to be a challenging hill to climb proved to be a solution that continues to deliver value in terms of revenue enhancement, customer service delivery, and distribution optimization. ■



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